

HOUSE RESEARCH

Bill Summary

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Subject: Minnesota Comprehensive Health Association

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Overview

This bill involves the Minnesota Comprehensive Health Association, which is abbreviated MCHA (pronounced "em-cha"). MCHA is the high-risk pool for Minnesota residents who cannot get health coverage in the regular private market, due to preexisting health problems. MCHA is a private nonprofit organization of insurers and health maintenance organizations (HMOs). State law requires the insurers and HMOs to be members of MCHA and to assess themselves for the difference between MCHA's premium revenues and its costs of claims and administration. The coverage MCHA is required to provide is specified in statute.

MCHA coverage currently has a \$2,000,000 limit on lifetime benefits that it will pay for any one person. The legislature has increased this lifetime maximum to \$1,000,000 in 1992, to \$1,500,000 in 1995, and to 2,000,000. in 1998.

- 1 Minimum benefits of comprehensive insurance plan.** Increases the lifetime maximum benefit limit on health coverage provided by the Minnesota Comprehensive Health Association to \$3,000,000. It is now \$2,000,000.
- 2 Effective date: application.** Makes section 1 effective immediately and applies to all policies, current and future.